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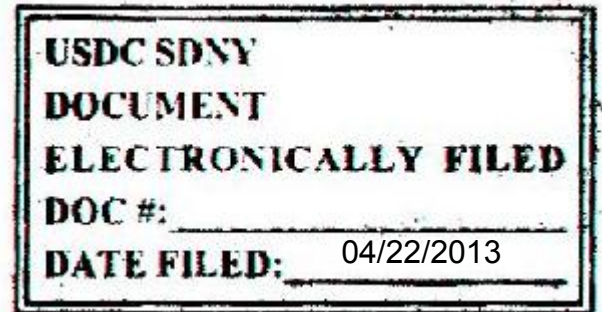
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April 18, 2013



VIA ECF

Honorable Lorna G. Schofield
United States District Judge
United States District Court
Southern District of New York
40 Foley Square
New York, New York 10007

RE: IN THE MATTER OF THE COMPLAINT OF
ATLANTIC CLAM FARMS, INC.,
As Owner of a Fishing Vessel FV "MAGIC"
FOR EXONERATION FROM AND LIMITATION OF LIABILITY
Index No. 11 Civ 1671 (LGS)
Our File No.: 10000551 DRH/GSR

Dear Judge Schofield:

This firm represents the Petitioner, Atlantic Clam Farms, Inc., in the above-captioned limitation action brought pursuant to 46 U.S.C. § 30501 that is pending in the United States District Court for the Southern District of New York. The Claimant, Mr. Vazquez, filed a Motion to Lift the Automatic Stay/Injunction that barred prosecution of his lawsuit in State Court. Judge Barbara Jones, to whom the case was assigned, granted this motion. The liability issues are presently being litigated in New York Supreme Court, Bronx County. The Federal District Court retained exclusive jurisdiction of the Limitation Action and placed that matter on the Suspense Calendar pending the resolution of the liability issues.

The action pending in Bronx County is scheduled for Court mediation. If the parties are unable to resolve the case through mediation the matter will be placed on the trial calendar in the Supreme Court, Bronx County.

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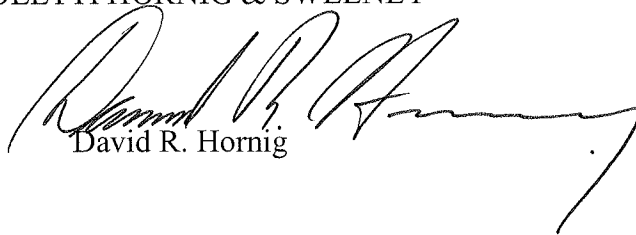
Until the liability issues have been determined in the State Court action, the Limitation Action pending in the Federal District Court should be placed on the suspense or inactive Calendar. In the event that there is a judgment in excess of the limitation fund, the Claimant has stipulated not to execute on such a judgment until the Federal District Court has determined the limitation issues. In the event there is a judgment in excess of the limitation funds, the Petitioner would then ask this Court to place the Limitation Action on the active calendar for resolution as only the Federal District Court has jurisdiction over limitation of liability issues.

We trust that this status report is in full compliance with the Court's request.

Respectfully yours,

NICOLETTI HORNIG & SWEENEY

By:


David R. Hornig

DRH/mar

cc:

VIA ECF

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The parties shall file a joint report immediately upon any change in the status of this matter, but in any event no later than July 23, 2013.

SO ORDERED. Dated: April 22, 2013


LORNA G. SCHOFIELD
UNITED STATES DISTRICT JUDGE